

RECORDATION NO. 8241-0 Filed 1425

MAY 4 1983-3 25 PM

INTERSTATE COMMERCE COMMISSION

DELAWARE AND HUDSON RAILWAY COMPANY

ALBANY, NEW YORK 12207



Dependable Transportation Since 1823

D. D. MUIR

Vice President-Finance

May 2, 1983

3-124A161

No.

Date MAY 4 1983

Fee \$ 10.00

ICC Washington, D. C.

Mrs. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
12th Street and Constitution Avenue, N.W.
Washington, D.C. 20423

Dear Mrs. Mergenovich:

I have enclosed an original and two executed counterparts of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a supplement to a mortgage, a secondary document, dated February 25, 1983.

The primary document to which this is connected is recorded under Recordation No. 8241. The names and addresses of the parties to the documents are as follows:

Mortgagor: Delaware and Hudson Railway Company
40 Beaver Street
Albany, New York 12207

Mortgagees: United States Railway Association
2100 Second Street, S.W.
Washington, D.C. 20595

and

United States of America
acting through the
Administrator of the
Federal Railroad Administration
400 Seventh Street, S.W.
Washington, D.C. 20590

RECEIVED
MAY 4 3 13 PM '83
I.C.C.
FEE OPERATION BR.

Counter-parts

Mrs. Agatha L. Mergenovich
Page 2
May 2, 1983

A description of the equipment covered by the document is as follows:

Included in the property covered by the aforesaid Mortgage are any and all railroad cars, locomotives and other rolling stock used or intended for use in connection with interstate commerce, and all interests therein, owned by the mortgagor, Delaware and Hudson Railway Company, including without limitation any interest under any equipment trust agreement, lease or other instrument evidencing the lease, conditional sale or bailment of any railroad cars, locomotives and other rolling stock, at the date of said Mortgage or thereafter acquired, or to be acquired, by it or its successors as owner or owners of the lines of railway covered by the Mortgage.

A check of Delaware and Hudson Railway Company payable to the order of the Commission in the amount of TEN (\$10.00) DOLLARS is enclosed to cover the filing fee.

Please return the original and any extra counterparts not needed by the Commission to:

Kinga M. LaChapelle
General Attorney
Delaware and Hudson Railway Company
40 Beaver Street
Albany, New York 12207

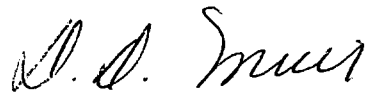
A short summary of the document to appear in the index follows:

Seventh Supplemental Indenture to Mortgage with recordation No. 8241 dated February 25, 1983 and covering all railroad cars, locomotives and other rolling stock used or intended for use in connection with interstate commerce, and all interests therein, owned by the mortgagor, Delaware

Mrs. Agatha L. Mergenovich
Page 3
May 2, 1983

and Hudson Railway Company, including without limitation any interest under any equipment trust agreement, lease or other instrument evidencing the lease, conditional sale or bailment of any railroad cars, locomotives and other rolling stock, at the date of said Mortgage or thereafter acquired, or to be acquired, by it or its successors as owner or owners of the lines of railway covered by the Mortgage.

Very truly yours,

A handwritten signature in cursive script, appearing to read "D. D. Munn".

Encl.

May 4, 1983

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

Kinga M. LaChapelle
General Attorney
Delaware and Hudson Railway Company
40 Beaver Street
Albany, New York 12207

Dear

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 5-4-83 at 3:25 PM, and assigned re-recording number(s) .8241-0

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

MAY 4 1983 3 25 PM

INTERSTATE COMMERCE COMMISSION

SEVENTH SUPPLEMENTAL INDENTURE

DATED FEBRUARY 25, 1983

DELAWARE AND HUDSON RAILWAY COMPANY

TO

UNITED STATES RAILWAY ASSOCIATION

AND

UNITED STATES OF AMERICA

SUPPLEMENTING THE MORTGAGE
OF THE DELAWARE AND HUDSON RAILWAY COMPANY

DATED MARCH 15, 1976

TO AMEND THE EVIDENCE OF INDEBTEDNESS

THIS SEVENTH SUPPLEMENTAL INDENTURE dated February 25, 1983, between the mortgagor, DELAWARE AND HUDSON RAILWAY COMPANY, a Delaware corporation having its principal office at 40 Beaver Street, Albany, New York 12207, organized and existing under the laws of the State of Delaware (the "Corporation"), and the mortgagees, UNITED STATES RAILWAY ASSOCIATION ("USRA"), established pursuant to Section 201 of the Regional Rail Reorganization Act of 1973 as a nonprofit government corporation organized under the District of Columbia Non-Profit Corporation Act and having its principal office at 955 L'Enfant Plaza North, S.W., Washington, D.C. 20595, and the UNITED STATES OF AMERICA ("United States"), acting through the Administrator of the FEDERAL RAILROAD ADMINISTRATION, by a delegation of authority from the Secretary of Transportation published at 49 C.F.R. §1.49(u) ("Administrator").

WITNESSETH:

WHEREAS, the Corporation has heretofore made, executed and delivered to USRA, its Mortgage dated March 15, 1976, ("Mortgage") of properties of the Corporation therein described or mentioned to secure the due and punctual payment by the Corporation of the principal of and interest on the Corporation's notes ("Notes") issued pursuant to a loan agreement dated March 15, 1976 ("Loan Agreement") under which USRA agreed to loan the Corporation up to an aggregate amount of \$28,000,000 upon the terms and conditions set

forth in the Loan Agreement;

WHEREAS, the Corporation delivered to USRA a Supplemental Indenture dated January 11, 1978 to secure the due and punctual payment by the Corporation of the principal of and interest on a Note issued pursuant to a supplement to the Loan Agreement dated December 29, 1977 under which USRA agreed to increase the maximum aggregate amount of the loan to the Corporation from \$28,000,000 to \$30,000,000;

WHEREAS, the Corporation delivered to USRA a Second Supplemental Indenture dated February 9, 1978 ("Second Supplemental Indenture") under which the Corporation made, executed and delivered to the United States its mortgage of the properties described in the Mortgage to secure the due and punctual payment by the Corporation of the principal of and interest on a Note dated February 9, 1978 and issued by the Corporation to the Federal Financing Bank ("FFB") in the principal amount of \$7,962,067 ("FFB Note"), and the obligations of the Corporation under a Financing Agreement between the Corporation and the United States dated February 9, 1978 ("Financing Agreement");

WHEREAS, the Corporation delivered to USRA a Third Supplemental Indenture dated January 7, 1980 to secure the due and punctual payment by the Corporation of the principal of and interest on a Note issued pursuant to a supplement to

the Loan Agreement dated January 7, 1980 under which USRA agreed to increase the maximum aggregate amount of the loan to the Corporation from \$30,000,000 to \$34,000,000;

WHEREAS, the Corporation delivered to USRA a Fourth Supplemental Indenture dated December 29, 1980 to secure the due and punctual payment by the Corporation of the principal of and interest on a Note issued pursuant to a supplement to the Loan Agreement dated December 29, 1980 under which USRA agreed to increase the maximum aggregate amount of the loan to the Corporation from \$34,000,000 to \$37,500,000;

WHEREAS, the Corporation delivered to USRA a Fifth Supplemental Indenture dated August 25, 1981 to secure the due and punctual payment by the Corporation of the principal of and interest on a Note dated August 25, 1981 and issued by the Corporation to FFB in the principal amount of \$861,011.36 ("New FFB Note"), issued to FFB in full satisfaction of the amount due on the FFB Note on August 25, 1981 pursuant to an amendment to the Financing Agreement effective August 25, 1981 ("Amendment One to Financing Agreement") under which the United States guaranteed the payment of principal and interest on the New FFB Note;

WHEREAS, the Corporation delivered to USRA a Sixth Supplemental Indenture dated February 25, 1982 to secure the due and punctual payment by the Corporation of the principal

of and interest on a Note dated February 25, 1982 and issued by the Corporation to United States in the principal amount of \$964,813.13 ("United States Note"), as evidence of the satisfaction by the United States as guarantor of the amounts due the FFB on February 25, 1982 on the FFB Note and New FFB Note, and pursuant to an amendment to the Financing Agreement effective February 25, 1982 ("Amendment Two to Financing Agreement").

WHEREAS, on September 23, 1982 the United States as guarantor of the FFB Note and the New FFB Note satisfied in full the FFB Note and the New FFB Note, and the FFB has assigned those notes to the United States;

WHEREAS, the Corporation has requested the United States to defer payment of principal and interest on the FFB Note, the New FFB Note and the United States Note by accepting a single composite note to be issued by the Corporation to the United States in the principal amount of \$11,198,274.98, which will be issued to the United States in full satisfaction of and in exchange for the FFB Note, New FFB Note and United States Note on February 25, 1983, ("Composite Note");

WHEREAS, the Corporation and the United States have entered into an amendment to the Financing Agreement effective February 25, 1983 ("Amendment Three to Financing Agreement") pursuant to which the United States has agreed

to accept the Composite Note as a substitute for the FFB Note, the New FFB Note and the United States Note;

WHEREAS, the Board of Directors of the Corporation has duly authorized and directed the execution and delivery of this Seventh Supplemental Indenture; and

WHEREAS, all conditions and requirements necessary to make this Seventh Supplemental Indenture a valid, binding and legal instrument in accordance with its terms have been done, performed and fulfilled, and the execution and delivery hereof has in all respects been duly authorized.

NOW, THEREFORE, in consideration of the premises and of the sum of \$10 lawful money of the United States of America paid by USRA and the United States to the Corporation at or before the delivery of this Seventh Supplemental Indenture, and of other good and valuable considerations, the receipt of which is hereby acknowledged, the Corporation covenants and agrees with USRA and the United States as follows:

ARTICLE ONE

The terms defined in Section 1.01 of the Mortgage whenever used in this Seventh Supplemental Indenture shall, unless the context shall otherwise require, have the respective meanings specified in Section 1.01 of the Mortgage and shall include the plural as well as the singular with the following modifications and additions:

"Mortgage" shall mean this Mortgage dated March 15, 1976, as subsequently amended by the Supplemental Indenture dated January 11, 1978, the Second Supplemental Indenture dated February 9, 1978, the Third Supplemental Indenture dated January 7, 1980, the Fourth Supplemental Indenture dated December 29, 1980, the Fifth Supplemental Indenture dated August 25, 1981, the Sixth Supplemental Indenture dated February 25, 1982 and the Seventh Supplemental Indenture dated February 25, 1983, by and between the Corporation, as Mortgagor, and USRA and, commencing February 9, 1978 the United States, as Mortgagees."

"Composite Note" shall mean the Note dated February 25, 1983 issued by the Corporation to the United States in the principal amount of \$11,198,274.98 pursuant to Amendment Three to the Financing Agreement.

"Amendment Two to the Financing Agreement" shall mean the Amendment to the Financing Agreement effective February 25, 1982.

"Amendment Three" to the Financing Agreement shall mean the Amendment to the Financing Agreement effective February 25, 1983.

"United States Note" shall mean the Note dated February 25, 1982 issued by the Corporation to the United States in the principal amount of \$964,813.13.

"New FFB Note" shall mean the Note dated August 25, 1981 issued by the Corporation to the FFB in the principal amount of \$861,011.36 pursuant to Amendment One to the Financing Agreement.

"Amendment One to the Financing Agreement" shall mean the Amendment to the Financing Agreement effective August 25, 1981.

"FFB Note" shall mean the note dated February 9, 1978 issued by the Corporation to the FFB in the principal amount of \$7,962,067.00 pursuant to the Financing Agreement.

"Financing Agreement" shall mean the financing agreement dated February 9, 1978 between United States and the Corporation, including all amendments thereto.

ARTICLE TWO

Section 5.09 of the Mortgage, as amended by Article Four of the Second Supplemental Indenture, is hereby further amended to read as follows:

"Section 5.09. The purchase money, proceeds and avails of any such sale shall be applied as follows:

"First. To the payment of the costs and expenses of such sale, including reasonable compensation to the agents and attorneys of USRA and the United States, and of all expenses, liabilities and advances made or incurred USRA and the United States under this Mortgage and to payment of all taxes, assets and Prior Liens, except taxes, assessments, and Prior Liens, if any, subject to which the property shall have been sold;

"Second. In case the principal of the Class A Notes and the Composite Note then outstanding shall not have become due and payable by declaration or automatically, to the payment of interest on the Class A Notes and the Composite Note at the rate specified therein and to the payment of the principal of the Class A Notes and the Composite Note in accordance with their terms;

"Third. In case the principal of the Class A Notes and the Composite Note then outstanding shall have become due and payable by declaration or automatically, to the payment of the whole amount then owing and unpaid upon all Class A Notes and the Composite Note then outstanding for principal and interest, and, in case such money shall be insufficient to pay in full the whole amount so due and payable, to the payment of such principal and interest ratably without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest or of any Note over any other Note;

"Fourth. To the payment in full of any other obligations of the Corporation under this Mortgage, the Loan Agreement, all other Loan Documents, and the Financing Agreement;

"Fifth. To the payment of the surplus, if any, to the Corporation, its successors or assigns, or to whosoever may be lawfully entitled to receive the same."

ARTICLE THREE

Section 1. Neither USRA nor the United States shall be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Seventh Supplemental Indenture or the due execution hereof by the Corporation or for or in respect of the recitals contained herein, all of which recitals are made by the Corporation solely. No implied covenant or obligation shall be read into this Seventh Supplemental Indenture or the Mortgage against USRA or the United States, but the duties and obligations of USRA and the United States shall be determined solely by the provisions of the Mortgage and of the Seventh Supplemental Indenture. In general, each and every term and condition contained in the Mortgage shall apply to and form a part of this Seventh Supplemental Indenture with the same force and effect as if the same were herein set forth in full.

SECTION 2. This is a supplemental indenture to the Mortgage intended to secure the payment of the principal of and interest on the Composite Note when and as the same shall become payable, and each and every part of this Seventh Supplemental Indenture and each and every covenant contained herein shall be and become a part of the Mortgage and each of the covenants and obligations of the Corporation herein contained shall be, except as herein otherwise provided, subject to the provisions of the Mortgage.

SECTION 3. This Seventh Supplemental Indenture may be executed in any number of counterparts, each of which shall be deemed to be an original, but such counterparts shall together constitute one and the same instrument.

SECTION 4. The execution of this Seventh Supplemental Indenture shall not be construed as a consent to any borrowing by the Corporation, as may be required under any loan agreement with the Corporation.

SECTION 5. Nothing in the Mortgage or this Seventh Supplemental Indenture shall impair any rights of the United States as guarantor of USRA obligations incurred in connection with the Loan Agreement.

ARTICLE FOUR

Pursuant to Section 259 of the Tax Law of the State of New York, the Corporation hereby certifies that the principal amount which at the time of the execution and delivery of this Seventh Supplemental Indenture has been advanced or is secured hereby is the sum of ~~\$67,106,185.28~~ ^{67,771,989.41} *[Signature]* BB *[Signature]*

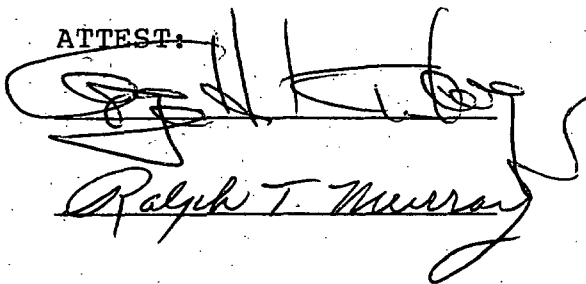
IN WITNESS WHEREOF, the said DELAWARE AND HUDSON RAILWAY COMPANY has caused this Seventh Supplemental Indenture to be signed in its Corporate name by D. D. MUIR, its Vice President, attested by GEORGE H. KLEINBERGER, and RALPH T. MURRAY, its Assistant Secretaries, and its corporate seal to be hereunder affixed, on the date first hereinabove set forth, and does hereby constitute and appoint D. D. MUIR, its true and lawful attorney-in-fact, for it and in its name to acknowledge and deliver these presents as, its act and deed; and the said UNITED STATES RAILWAY ASSOCIATION has caused these presents to be signed in its corporate name by Cary W. Dickieson, its *Exec. V.* President, attested by Peter J. Gallagher, its Secretary, and _____, its Assistant Secretary, and its corporate seal to be hereunder affixed, on the date first hereinabove set forth, and does hereby constitute and appoint Cary W. Dickieson, its true and lawful attorney-in-fact, for it and in its name to acknowledge and deliver these presents as its act and deed; and the United

States has caused these presents to be signed by _____
_____ Federal Railroad Administrator
and attested by _____ and does hereby
constitute and appoint _____ its true and
lawful attorney-in-fact, for it and in its name to acknowl-
edge and deliver these presents as its act and deed.

(CORPORATE SEAL)

DELAWARE AND HUDSON RAILWAY COMPANY

ATTEST:


Ralph T. Murray

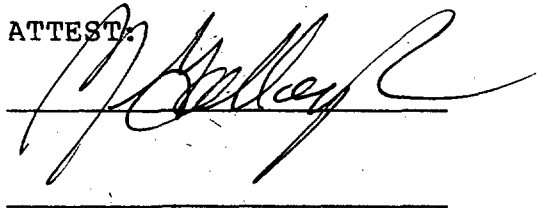
By


Vice President

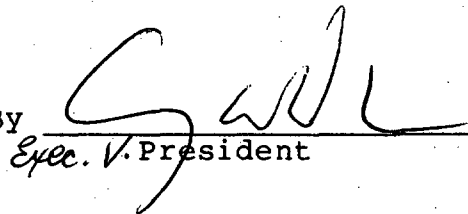
(CORPORATE SEAL)

UNITED STATES RAILWAY ASSOCIATION

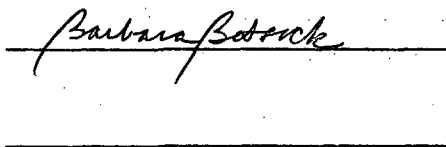
ATTEST:



By

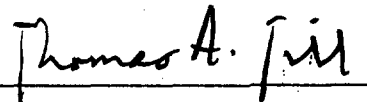

Exec. V. President

ATTEST:



THE UNITED STATES OF AMERICA

By



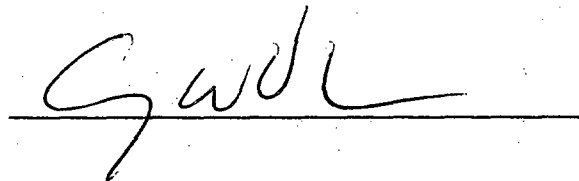
MORTGAGEES' CERTIFICATE

The undersigned, the mortgagees described in the foregoing instrument, hereby certify that the precise residence of the mortgagees entitled to interest thereunder is:

(1) UNITED STATES RAILWAY ASSOCIATION,
955 L'Enfant Plaza North, S.W., Washington, D.C. 20595.

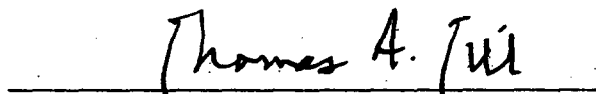
UNITED STATES RAILWAY ASSOCIATION

By

A handwritten signature, likely "G. W. L.", written in dark ink over a horizontal line.

(2) The UNITED STATES OF AMERICA acting through the Administrator, Federal Railroad Administration, 400 Seventh Street, S.W., Washington, D.C. 20590.

UNITED STATES OF AMERICA
By The
SECRETARY OF TRANSPORTATION
Acting Through
The Administrator of the
Federal Railroad Administration

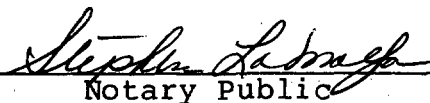
A handwritten signature, "Thomas A. Iuliano", written in dark ink over a horizontal line.

CERTIFICATE OF ACKNOWLEDGEMENT

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

On the 25th day of February, in the year 1983, before me, Stephen LaMalfa, the undersigned officer, personally appeared D. D. MUIR, who acknowledged himself to be the Vice President-Finance of DELAWARE AND HUDSON RAILWAY COMPANY, a corporation, and that he, as such Vice President being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Vice President-Finance.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.


Notary Public

State of New York

STEPHEN LAMALFA

Notary Public in the State of New York
Commission Expires March 30, 1983

(SEAL)

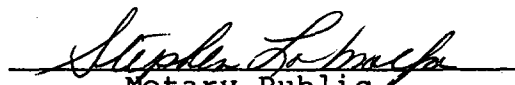
My Commission Expires:

March 30, 1983

CERTIFICATE OF ACKNOWLEDGEMENT

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

On the 25th day of February, in the year 1983, before me, personally came D. D. MUIR, to me known, who, being by me duly sworn, did depose and say that he resides at 18 Wilderness Lane, Wildwood Acres, Valatie, New York, 12184; that he is the Vice President-Finance of DELAWARE AND HUDSON RAILWAY COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.


Notary Public
State of New York

STEPHEN LAMALFA
Notary Public in the State of New York
Commission Expires March 30, 1987

(SEAL)

My Commission Expires:


March 30, 1983

CERTIFICATE OF ACKNOWLEDGEMENT

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, Stephen LaMalfa a notary public in and for the State of New York, do hereby certify that D. D. MUIR, being personally well-known to me as the person who executed the foregoing instrument, bearing date on the 25th day of February, 1983, personally appeared before me in said State of New York and, being by me duly sworn, acknowledged that he is Vice President-Finance of DELAWARE AND HUDSON RAILWAY COMPANY, that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and that the execution of the foregoing instrument was the free act and deed of such corporation and of himself.

Given under my hand and seal this 25th day of February, 1983.


Notary Public
State of New York

(SEAL)

STEPHEN LAMALFA
Notary Public in the State of New York
Commission Expires March 30, 1983
My Commission Expires:

March 30, 1983